

Minutes of Audit Committee Regular Meeting of August 19, 2014

One Twin Pines Lane

REGULAR MEETING, City Hall, Suite 360

CALL TO ORDER 4:20 P.M.

ROLL CALL

COMMITTEE MEMBERS PRESENT: Violet, Braunstein

COMMITTEE MEMBERS ABSENT: Reed

STAFF PRESENT: Finance Director Fil, Deputy Finance Director Lazzari, City Manager Scoles, Management Analyst Voelker

OTHERS PRESENT: None.

ORAL COMMUNICATION/PUBLIC COMMENTS

None.

CONSENT CALENDAR

ACTION: Moved by Chair Violet, seconded by Committee Member Braunstein, the March 13th minutes were unanimously noted and filed.

OTHER BUSINESS

Financial Policy Updates

Director Fil gave a brief update of the City's financial policies. He explained that the financial policies are part of the City's governance and are used as a guide in following best practices. They are comprised of a number of different resources, including best practices and advisories from the Government Finance Officers Association (GFOA), the City's Investment Policy, and the City's Procurement Policy. Discussion developed as to how best practices are chosen by GFOA. Director Fil clarified that the financial policies are not prescriptive or required, but that they do serve as a standard by which a best practice city, such as Belmont, endeavors to follow. Discussion ensued.

Director Fil distributed a memo to the Audit Committee and explained that all newly published GFOA best practices and advisories, which are being added to the City's financial policies, are listed in the appendix to the memo for the Committee's review. Staff will update the City's website accordingly.

By unanimous voice vote, the Audit Committee recommended that the updated financial policies be included in the Audit Committee's annual report to Council in October.

Year-End Close Status

Deputy Director Lazzari provided an update on the year-end close, noting that the City has completed its FY 2014 close for the audit. She pointed out that the General Fund ended \$0.5M ahead of estimates. She gave a concise review of the supported funds, which are on track, and stated that

the Belmont Fire Protection District (BFPD) also exceeded projections. Staff's analysis showed several positive trends and the final results will be presented in the City's financial reports, scheduled to be distributed to the Audit Committee in early October.

Deputy Director Lazzari mentioned that the City's independent auditors should be finishing up their closing work this week and that the audit is on track for the October meeting. Further discussion ensued regarding this year's audit as compared to last year's.

COMMITTEE UPDATES AND STAFF ITEMS

Meeting Calendar

The Committee confirmed that the next scheduled meeting will be on October 6, 2014 at 4:15 pm.

ADJOURNMENT 5:02 p.m.

**Thomas Fil
Finance Director**